

Promissor 2005 National Real Estate Examination Content Outline for Sales and Broker Examinations

**Each examination consists of 80 scored questions and 5 pretest questions.
Approximately ten percent of the scored questions involve mathematical computations.**

- I. Real property characteristics, definitions, ownership, restrictions, and transfer (Sales 16, Broker 15)**
 - A. Definitions, descriptions, and ways to hold title
 - 1. Elements of real and personal property
 - 2. Property description and legal description
 - 3. Estates in real property
 - 4. Forms, rights, interests, and obligations of ownership
 - B. Land use controls and restrictions
 - 1. Public (e.g., zoning, taxation, police power)
 - 2. Private (e.g., liens, encumbrances, recording and priorities, subdivision/association rules)
 - C. Transfer/alienation of title to real property
 - 1. Voluntary and involuntary
 - 2. Deeds, warranties, and defects in title
- II. Property valuation and the appraisal process (Sales 6, Broker 6)**
 - A. Principles, types, and estimates of property value
 - B. Investment analysis
- III. Contracts and agency relationships with buyers and sellers (Sales 21, Broker 21)**
 - A. Contract elements, types (e.g., valid, enforceable), and terminology
 - B. Types of contracts used in real estate
 - 1. Listing contracts
 - 2. Commission agreements
 - 3. Sales contracts
 - C. Agency relationships and fiduciary responsibilities
- IV. Property conditions and disclosures (Sales 6, Broker 6)**
 - A. Environmental issues and hazards and hazardous materials
 - B. Material and other disclosures
 - C. Liability considerations
- V. Federal laws governing real estate activities (e.g., Federal Fair Housing Act, Americans with Disabilities Act, antitrust, marketing controls) (Sales 6, Broker 8)**
- VI. Financing the transaction and settlement (Sales 17, Broker 14)**
 - A. Financing components
 - 1. Financing instruments (e.g., notes, mortgages, contract for deed, deed of trust)
 - 2. Financing sources (e.g., primary and secondary mortgage markets, seller financing)
 - 3. Types of loans
 - 4. Financing concepts and terminology
 - B. Lender requirements and obligations
 - C. Settlement (including calculations)
 - 1. Procedures
 - 2. Closing costs
 - 3. Documents
- VII. Leases, rents, and property management (Sales 6, Broker 6)**
 - A. Types and elements of leasehold estates, leases, lease clauses, and rental agreements
 - B. Lessor and lessee rights, responsibilities, and recourse
 - C. Property management contracts and obligations of parties
- VIII. Brokerage operations (Sales 2, Broker 4)**
 - A. Broker management of funds
 - B. Broker-salesperson relationship
 - C. Advertising
 - D. Ethical and legal business practices